



MEMORANDUM

TO: Governor's Workforce Cabinet
FROM: PJ McGrew, Executive Director, Governor's Workforce Cabinet
DATE: December 17, 2020
RE: Equity and Inclusion Initial Recommendations

Background

On August 18, 2020 Governor Holcomb gave a statewide address focused on the state's equity and inclusion efforts. Included in those remarks was a specific charge to Commissioner Lubbers, Commissioner Payne, and the Governor's Workforce Cabinet. During his address, the Governor stated,

"Our Next Level Jobs Program – which helps Hoosiers get training and helps employers train them – has been, by most measures, an overwhelming success; just ask all those whose lives have already been changed for the better by the program. That's why we just added another \$50 million from the CARES Act to these high-wage, high-demand programs.

However, we must recruit more minorities into these fields and assist more minority-owned businesses to take advantage of our state programs. It's there waiting to be used. I've asked Indiana's Commissioner of Higher Education, Teresa Lubbers, to work with DWD Director Fred Payne and our Workforce Cabinet to submit specific recommendations on how we might adjust policies for all our workforce programs in order to create greater opportunity for people of color."

In order to develop specific recommendations to address this issue, we determined that we needed to first take stock of the specific programs under Next Level Jobs. We assessed the opportunities currently available within the Workforce Ready Grant program and the Employer Training Grant program to develop an initial set of recommendations.

Fortunately, the Governor's Workforce Cabinet had already developed a people-focused workforce plan that touched on some of the elements necessary to ensure that the state and federal programs that are available meet people where they are and help them get where they want to go.

The GWC has identified several assets that the state has available to help address equity issues and challenges that exist across various state systems, as well as potential actions that can be taken to ensure greater equity across the state's talent development system.



Indiana's Equity Assets

- A Top State for Need-Based Financial Aid: Indiana is first in the Midwest and fourth in the nation for need-based financial aid. Indiana's 21st Century Scholars program, in particular, is a major asset to the state and celebrates its 30th anniversary this year. **21st Century Scholars are the only student group on track to close equity gaps by 2025.**
- A Growing Number of Engaged Employers: While we'd like to see the numbers grow, more Indiana employers are collaborating with secondary and postsecondary education providers to offer work-based learning experiences. Indiana's Next Level Jobs programs (workforce ready and employer training grants) have been instrumental in driving increased engagement.
- The Nation's Largest Singularly Accredited Community College System: **Ivy Tech Community College** is an asset to the state, particularly considering the State's support of lifelong learning throughout one's career with stackable, shorter-term credentials and apprenticeships.
- Indiana's Early College Credit Landscape: **64% of Indiana's high school students earn dual credit** before they graduate, and there is an increasing focus on students earning credentials in high school. Whether they are headed to college, the workforce or additional training, Indiana's high schools provide dual credit options for every student.
- Improved Alignment Across the Pre-K to Workforce Continuum: The **Governor's Workforce Cabinet** and improved collaboration between education and workforce agencies are driving improved alignment.
- Successful Short-Term Programs: The **Next Level Jobs Workforce Ready Grant** pays for Hoosiers to earn workforce certificates in high-wage, high-demand sectors. Since 2017, more than 38,000 Hoosiers have enrolled in these certificate programs and nearly 18,000 have earned certificates so far. Average annual wage increase for those who earn these certificates is \$6,400.
- Learner-Focused Strategies at Indiana Institutions:
 - **A growing focus on adult and non-traditional learners**, leading to strategies like 8-week enrollment at Ivy Tech; more online, hybrid and accelerated schedule options; wraparound services, like childcare; and, financial aid opportunities through You Can. Go Back. and the part-time Adult Student Grant.
 - **Increasing use of predictive analytics** to identify students who are struggling fast and intervene with proactive advising and counseling.
 - **Embedded, stackable credentials** at two- and four-year institutions are helping ensure that students earn credentials of value sooner and provide new options for learners to return and reskill to enhance their earning potential in an ever-changing economy.
- Strong Partnerships Between Institutions and with the State: With transfer-friendly state policies and guaranteed admission partnerships between institutions, Hoosier students save time and money on their way to earning postsecondary credentials.

Indiana's Equity Issues & Challenges

- Low Education Attainment = Lower Incomes and Wages: Hoosiers with education beyond high school earn up to \$1 million more over their lifetimes than those with just a high school diploma. The numbers are even more striking when you look at earnings by race for those without a postsecondary credential.
- Postsecondary Enrollment Declines: We're seeing enrollment declines, particularly at community colleges.
 - COVID declines
 - Five-year declining college-going rate for high school grads



- Skepticism around the Value of Higher Education: While the need for education beyond high school has never been greater, there is lingering skepticism about its value—especially in Indiana’s rural communities.
- Balancing the Future of Work & Current Economic Demands: We need a skilled workforce to meet the needs of today’s economy while we simultaneously get ready for the economy of the future—one infused with technology and automation.
- Postsecondary-Employer Alignment: We must ensure that the credentials Hoosiers earn are valued by both consumers and the employer community. This will take greater alignment between postsecondary providers and Indiana’s employers and more input from employers on the skills and competencies they value.
- Balancing Quality & Innovation in Non-Credit Credentials: While non-credit credentials will continue to be an important part of the postsecondary landscape—particularly in rapidly evolving industries like Information Technology—we must ensure that these credentials are quality options for Hoosiers without stifling innovation among providers.
- Data Delays and Limitations: While Indiana continues to grow the amount of education and workforce data available, gaps remain—particularly in demographic disaggregation. Furthermore, much of this data lags by a year or more, making it difficult to make timely decisions about program effectiveness.
- Broadband and Access to Technology: Every community in our state needs access to quality, reliable broadband and the technology required to communicate and learn in our modern society successfully. Governor Holcomb’s Next Level Connections program is helping close these gaps around the state.
- Lack of Information and Feedback from our Equity Groups: We lack appropriate feedback loops from important groups around the state. We need this information to help identify barriers and gaps that we’ll need to address if we hope to advance equity.
- Wage Gaps: Both the CHE strategic plan, [Reaching Higher in a State of Change](#), and the state’s strategic workforce plan, [A Better Future for Every Hoosier](#), set a goal to increase the state’s median wage to be above the average of our peer states by 2025.

Populations Served

Throughout A Better Future for Every Hoosier, target populations and programs that serve them were identified with strategies to provide better support to individuals across the state to access education/training, employment, and wrap around supports. Those populations groups have been identified below.

- Racial/Ethnic
- Socioeconomic
- Geography
- Disability/Ability
- Age
- Ex-Offenders
- Veterans

Barriers Identified

- Lack of Awareness of Existing Programs, Supports and Opportunities
- Financial Barriers to Education and Training
- Process Barriers that Make Accessing Opportunities and Resources Too Difficult
- Lack of Data Transparency by Demographic



Potential Actions

1. Engage community leaders as ambassadors around the state to engage with local citizens regarding access and awareness of education and employment resources, including but not limited to the Next Level Jobs programs, to learn more about what's working, what barriers exist and how we can better reach citizens from identified equity groups.

Success Metrics:

- a. # of identified community-based partners by region
 - b. # of identified faith-based partners by region
 - c. # of state ambassadors and regions they serve
 - d. Create a survey and share results
 - e. Identify and address access and communication barriers
2. Create better data transparency and timely tracking of enrollments, completions, job placements and wage gains for Hoosiers who take advantage of the state's education and workforce programs—ensuring we capture demographic data to identify gaps in services. Median wage gaps by demographic need to be monitored as part of the data transparency dashboard that is created to monitor equity issues.

Success Metrics:

Enrollments and Completions in Education and Training Programs (WRG)

- a. Sector
- b. Geography
- c. Race/ethnicity
- d. Job Placement

Employer Training Grant

- a. # Employers Engaged
- b. # Employees Trained
- c. # WMV-owned Businesses

Increased wages

- a. Closure of wage gaps across targeted populations
- b. # individuals co-enrolled in programs and transitioning off SNAP benefits
- c. # individuals co-enrolled in programs and transitioning off TANF benefits

3. Set targets for increased enrollment and completion by population served in key industry sectors, like STEM fields and education professions.

Success Metrics:

Enrollments and Completions in High Demand Sectors by Race/Ethnicity and Region

- a. Education
- b. All sectors identified through Next Level Jobs
 - i. Advanced Manufacturing
 - ii. Building and Construction Trades
 - iii. Business and IT
 - iv. Health and Life Science
 - v. Transportation



4. Understanding that employers are often the most effective voices encouraging people to seek education and training, identify and partner with Indiana employers, local economic development, and chambers of commerce to advance and utilize the state's education and employment programs—particularly the Workforce Ready Grant.

Success Metrics:

Gather employers and recognize them as state partners that actively use WRG

- a. # of small, medium and large businesses engaged
 - b. # of businesses engaged by region
 - c. # of businesses engaged by sector
5. Build off the success of the Rapid Recovery efforts to continue to allocate a dedicated amount of funding with the Employer Training Grant program specifically to minority-, veteran-, and women-owned businesses.

Success Metrics:

- a. Increased % of minority-owned businesses participating
 - b. Increased % of veteran-owned businesses participating
 - c. Increased % of women-owned businesses participating
6. Advance success strategies that close equity achievement gaps along the education and talent pipeline heading into the workforce, paying special attention to individualized pathways and successful transitions.

Success Metrics:

- a. 21st Century Scholars Program Enrollment numbers and Scholar Success Program completion numbers by race/ethnicity and geography
 - b. High School FAFSA completion numbers by race/ethnicity, socioeconomic status and geography
 - c. High School diploma type distribution by race/ethnicity, geography, gender
 - d. Dual credit, workforce credentials & STGEC (College Ready Core) earners by race/ethnicity, geography and gender
 - e. College-going and completion rates by race/ethnicity, geography and gender
 - f. Number of students of color enrolled in schools of education over time
7. Continue to monitor these recommended activities, as well as other strategies that were included in Indiana's Strategic Workforce Plan, to develop additional recommendations improving equitable education and employment opportunities for people of color. Examples from the plan that will help with this effort include, but are not limited to:
 - a. Better data sharing across state and federal programs;
 - b. Co-enrollment in services that work to meet Hoosiers' unique needs;
 - c. Employer engagement regarding non-traditional talent pools and recruiting strategies.